

COMPETITIVENESS & EMPLOYMENT MONITORING COMMITTEE MEETING

24th APRIL 2008
MARINE COURT HOTEL, BANGOR

AGREED MINUTES

1. Attendance

A list of attendees is attached at Annex A. Apologies were received from Bill Pauley, Chair, Brendan Mackin, Trade Unions, Mealla Bratton, SDLP, John Thompson, Agri-rural, Margaret Connolly, Research, Arnold Hatch, UUP and Lisa McElherron, Voluntary & community. The Deputy Chair welcomed the representative from the Department for Business, Enterprise & Regulatory Reform (BERR) to the Committee.

2. Introduction

The Chair advised that the purpose of the meeting would be to agree the minutes of the last meeting, note actions taken, approve the Terms of Reference for the Environmental and Equality Working Groups and note the progress under both Programmes. Items under AOB were noted as Familiarisation events for members, the ERDF Programme launch and the future launch of the ESF Programme.

3. Minutes from meeting 31 January 2008

The Chair noted that the minutes from the previous meeting had been circulated on 13th February. No comments had been received from members. **The Chair** asked for any comments – none were raised. The minutes were taken as agreed.

4. Action points from 31 January 2008

The Chair introduced paper CE 07/08, Update on Action Points from the previous meeting. Key points noted were:

- The list of ESF projects was tabled detailing the organisation, project name, location and project costs. Members were advised to contact the Managing Authority (DEL) if they required any additional information.
- DETI have met with 25 of the 26 councils to discuss the LED element of the Programme.
- The Communication Plan was circulated to members with the papers. The Plan was submitted to the Commission but has been returned for minor amendments. The revised Plan will be sent to members for information.

Action: DFP

5. Progress Reports

The Chair invited the Managing Authority for the Competitiveness Programme to update the committee on progress to date.

5.1 ERDF Competitiveness Programme

The **DETI Managing Authority** representative reported that good progress had been made since the last meeting. The Programme was officially launched on 14 April by The European Commissioner, the DFP Minister and in the presence of the Minister of Finance, Ireland.

DETI tabled a paper detailing the designation of Intermediary Bodies operations /schemes to be co-financed.

He reported that operations and schemes under Priority 1 have been designated by the Managing Authority amounting to £144m of the £220m allocation for this Priority. Further information is awaited on a number of schemes which may lead to the designation of a further £44m leaving £32m to be designated to R & D schemes.

Under Priority 2, £50m has been designated to LED projects. It is anticipated that Invest NI and NITB projects will be designated shortly. It was reported that activity under Priority 3 would be the sole responsibility of DETI.

He noted that no expenditure has been recorded on the Structural Funds Database; any expenditure, including retrospective expenditure, will be included in the next progress report.

In respect of publicity, he advised that the Programme Document will be published in the near future. DETI will also take part in the EU Funding stand at the Balmoral Show in May.

He advised that the agreed selection criteria had been applied to schemes as detailed in their paper, and that these schemes were also subject to Departmental equality regulations and would be allocated a DPA score.

The **DETI Certifying Authority representative** reported that DETI had had formal discussions with 25 of the 26 councils regarding the LED element of the Programme. Drafts of the application forms were given to the councils and feedback was favourable. The final meeting, with Newry, will be held next Monday (28 April). DETI had also held meetings with four regional groupings, the Local Economic Development Officers' Forum and NILGA.

Forms will formally be issued to all councils on Monday 28 April who will in turn prepare stage 1 applications in which they will give a broad overview of their proposed project. DETI will then give them a steer on how to best present their project.

DETI plan to have regional workshops with SEUPB and the RDP for councils to identify under which Programme their projects sit best.

It is hoped that stage 1 applications will be with DETI before the end of June.

A **European Commission representative** welcomed the additional information on how the Programme will be implemented, as he is keen to see that the Monitoring Committee is kept informed on how the Programme is implemented, for transparency and understanding.

The Chair noted that Annex 1 of the DETI paper provides a list of designated schemes under Priority 1. Further information on these will be made available through future progress reports.

5.2 NI ESF Programme

The **DEL Managing Authority representative** advised that, Under Priority 1, one of the 77 projects had withdrawn, bringing the total number of projects to 76 from 69 organisations. He noted that DEL was in the process of issuing Letters of Offer (LoO) and carrying out Economic Appraisals on the successful projects. To date 38 LoOs have been issued.

Under Priority 2, he reported activity will directly assist DEL's Training for Success programme. DEL is working to have their Memorandum of Understanding with their Training Programmes Branch in place by the summer.

Priority 3 is Technical Assistance which will be used for the purposes set out in the progress report.

In terms of financial progress he noted that there had been no expenditure progress at this stage. Under the first call £30.5m of ESF (40% of total eligible projects costs) has been allocated to projects. This is matched by a further 25% funding by DEL. Projects are responsible for and must identify match funding of 35% of project costs from the public sector. This is currently ongoing.

He reported that the press release scheduled to issue in April will be postponed until after all LoOs have been issued. DEL also plan to have a major conference to launch their Programme in October. The Programme document will be published and distributed in the near future.

He advised 74 projects attended the seminar organised by DEL on 10 March at which projects worked through a Letter of Offer and had the opportunity to have queries answered.

He advised that the agreed selection criteria was used for scoring against projects and where necessary LoOs were adjusted to take account of equal opportunities and sustainable development.

A **European Commission representative** asked how DEL intended to take forward the trans-national/inter-regional co-operation projects. The **DEL representative** advised that, following on from the EQUAL Programme, most success in trans-national projects was focussed at project level, with people networking with other Member States. The **European Commission representative** stated that there should be a tangible outcome; therefore there should be targets/indicators to measure progress against. He also suggested having themes of particular interest to projects where a wider audience could participate. The **DEL representative** noted that innovation was not set from central Government but rather identified by projects and this is where ideas can be developed.

Several examples of innovative ideas were recounted by members. The **Research sector representative** advised that they were holding a workshop in May and invited a member of the Innovation and Mainstreaming working group to attend.

A **European Commission representative** advised that the Commission was tightening the financial controls for the 2007-13 round of funding. The European Court of Auditors have produced a report which states that Member State controls were ineffective. He advised the current error rate was 12% which was well above the acceptable rate of 2%. He advised the Managing Authorities to take this into consideration when preparing their Article 71 statements and to develop appropriate measures now, reducing problems which may arise later.

The Chair advised that the Managing Authorities were currently working on their Article 71 statements and would be mindful of this. It was noted however that NI had not previously had any de-commitments or suspension of payments. The **BERR representative** agreed that NI had a good record and that the issues were in other parts of the UK. He noted the new system provided a better framework which would help improve financial control.

The **Environment representative**, on behalf of the Environmental Working Group, commended DEL on including an environmental condition in their LoO, requiring projects to produce an environmental policy.

6. Annual Implementation Reports (AIR) for 2007

The Chair advised the Committee that Article 67 of the General Regulation requires the Managing Authorities to submit their AIR by 30th June. Members were asked to forward any comments on the draft documents to the Secretariat by 9th May. Any comments will be passed to the relevant Managing Authority for consideration. The amended version will then be circulated to members for approval by written procedure. The Secretariat will confirm this by e-mail.

Action: Secretariat

Both Managing Authority representatives gave a brief overview of their report. A **European Commission representative** highlighted that the AIR was not just a regulatory requirement but if it was deemed inadmissible, the Commission was entitled to interrupt payments. He advised that the AIR should be used to disseminate innovation and best practice and should be easy to understand. He noted other regions have used the AIR as a high level publicity document and suggested NI could consider doing the same.

7. Working Groups Report

The Chair advised that members would be asked to ratify the Environmental Working Group Terms of Reference (TOR) and approve the Equality Working Group TOR. **The Chair** noted that attendance at Working Group meetings was good and thanked members for their attendance.

No further comments were received on the Environmental Working Group TOR therefore they were taken as approved.

No comments/objections were received from members on the Equality Working Group TOR; therefore they too were taken as approved.

The Chair introduced Annex 3 of paper CE 12/08, TOR for the Innovation and Mainstreaming Working Group, which was tabled at the meeting. The **ESF Managing Authority representative** noted that the group had met on 15 April and appointed a Chair and Deputy Chair. The Group had agreed a TOR which was now presented to the Committee for approval.

It was noted that while the appointed Chair was not a member of the Monitoring Committee, he had been nominated to the Working Group by the research sector. The Committee was asked to endorse the appointment. No objections were raised.

The Chair asked for comments on the TOR to be sent to the Secretariat by 9th May. If no comments/objections are received the TOR will be taken as approved by written procedure. The Secretariat will e-mail members to invite comment.

Action: Secretariat

8. AOB

8.1 Familiarisation events

The Chair suggested that members should be given the opportunity to gain a broader outline of the management and implementation of the Programmes, and how the EU and NI Executive support their sector. To achieve this, she suggested that the next meeting would include a visit to a project or have a short presentation from a project e.g. an ESF trainee. This would give members an understanding of where and how money is spent and who it is helping.

The Chair advised that the Working Groups were also hoping to hold meetings at project venues.

This idea was welcomed by members. **The Chair** invited members to forward any suggestions or the type of project they would like to hear from or visit to the Secretariat.

Action: Members

8.2 ERDF Programmes Launch

The Chair thanked those who attended and apologised for the lateness of the invitations. This was due to the difficulty in organising Minister's diaries.

The Chair reported that the NI Taskforce report was launched in the morning by the First and deputy First Ministers and the European Commissioner. Following lunch, the Minister of Finance and Personnel, Minister of Finance, Rol, and the European Commissioner launched the ERDF Programmes; the Competitiveness, Peace III and Interreg IVa Programmes. There was a good turnout at the events and good press coverage.

The ESF programme will be launched with a press release after the issue of the LoOs. A major conference will then follow in October 2008.

9. Date of next meeting

The next meeting will be held in October. The Secretariat will be in touch in due course to confirm the date and venue.

Action: Secretariat

**ATTENDEES AT THE COMPETITIVENESS AND EMPLOYMENT
MONITORING COMMITTEE MEETING MARINE COURT HOTEL, BANGOR
THURSDAY 24 APRIL 2008**

Members

Lynsey Moore	Acting Chairperson
Trevor Cooper	DETI Managing Authority
Trevor Connolly	DEL Managing Authority
Andrea Quail	DEL Certifying Authority
John Doran	Business
Maurice Mulvenna	Research (University of Ulster, Jordanstown)
Audrey McKeown	Education
Cathal Mullaghan	Local Government
Brian Murphy	Environment

Advisors

Colette Fitzgerald	DETI Managing Authority
Ian Kidd	DETI Managing Authority
John Neill	DEL Managing Authority
Gerard Colgan	NISRA
Andy Best	NITB
Charles Hamilton	Invest NI
John McKenna	OFMDFM
Glenn Moorcroft	DOE
Paula Hill	DARD
Franz Pointner	European Commission (DG Employment)
Stephen Langley	European Commission (DG Regio)
Chris Kirby	Dept for Business, Enterprise and Regulatory Reform
Peter Millen	DFP

Observers

Frank Tipping	Trade Unions
Richard Millen	Research (Queens University, Belfast)
Sean Kelly	Voluntary and Community
Damian Fitzpatrick	DETI

Stephanie Todd	DETI
Ian Morrison	DETI
Anthony Haughan	DETI
Jonathan Wallace	Research (University of Ulster, Jordanstown)
Tristen Kelso	For Jim Allister MEP
Kelly Gallagher	NISRA

Apologies

Bill Pauley	Chairperson
Mealla Bratton	Local Government
Bob Collins	Equality
John Thompson	Agri-Rural
Brendan Mackin	Trade Unions
Pat Colgan	SEUPB, PEACE III and INTERREG IV Managing Authority
Margaret Connolly	Research
Arnold Hatch	Local Government
Lisa McElherron	Voluntary & Community